Dorothy Beard Chief, Docket Branch Department of Transportation 400 7th Street, S.W. Room PL-401 Washington, D.C. 20590

Re: Joint Application of American Airlines and Swiss for Antitrust Immunity (OST-2002-12688)

Dear Ms. Beard:

American Airlines, Inc. and Swiss International Air Lines Ltd. d/b/a Swiss hereby state their agreement to the following conditions to the antitrust immunity (ATI) they are seeking in this docket.

- (1) The ATI will not cover any activities of the joint applicants as owners or marketers of computer reservations system businesses.
- (2) The applicants will resubmit their alliance agreements for review before five years from the date of issuance of the final order in this case.
- (3) Each applicant will withdraw from participation in any IATA tariff conferences activities that discuss any proposed through fares, rates, or charges applicable between the United States and Switzerland, and/or between the United States and any other countries whose designated airlines participate in similar transactions with U.S. airlines or are subsequently granted antitrust immunity by the Department.
- (4) Swiss will report full-itinerary Origin-Destination Survey of Airline Passenger Traffic for all passenger itineraries that include a U.S. point (similar to the O&D Survey data already reported by American). As in past proceedings, to prevent this reporting requirement from having anticompetitive consequences, the applicants request confidential treatment of Swiss Origin-Destinations reports. See, e.g., American/Finnair ATI, Order 2002-7-39, July 30, 2002, p. 12; Northwest/Malaysian ATI, Order 2000-10-12, October 13, 2000, p. 12.

- (5) The applicants will submit any subsequent subsidiary agreements implementing their alliance agreements for prior approval consistent with standard requirements (see, e.g., Delta/Air France ATI, Order 2002-1-6, January 18, 2002, p. 7 n. 17).
- (6) The applicants will obtain prior approval from the Department if they choose to operate or hold out service under a common name or use common brands.

American and Swiss submitted their joint application on June 28, 2002, and it is unopposed. We urge immediate issuance of a final order granting the ATI we have requested, consistent with the foregoing.

Respectfully submitted,

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## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document by email on all persons named below.

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CARL B. NELSON, JR.

November 19, 2002